

Agency of Human Services - FY20 Budget				
Summary of Upward Pressures and Reductions - General Fund Impact				
Upward Pressures:				
Pressure #	Department	Pressure	Total GF	Description
Revenue Pressures:			6,708,305	
1	Secretary's Office - GC	Base GF Shortfall - No Carryforward	1,500,000	No carryforward as match per Act 11 of 2018 SS Sec. C.102(a)(1)(A).
2	Secretary's Office - GC	CHIP Qualifying Claims Shortfall	1,464,503	CHIP qualifying claims estimated to be lower than base budgeted earnings.
3	DMH	HUD funding - Howard Center Branches	120,076	Continuation of backfill of lost HUD funding that was direct to the Howard Center.
4	DCF	FSD - IV-E Federal Funding Adjustments, CS Collections	684,710	Fewer children meeting IV-E eligibility criteria; fewer child support collections from non-custodial parents.
5	DCF	OCS - IV-D and other Federal Funding Adjustments	264,024	Decline in IV-D eligible activities.
6	DCF	Woodside	2,674,992	DCF had sought to regain Medicaid funding for Woodside through certification as a Psychiatric Residential Treatment Facility (PRTF). However, based on communications with the Centers for Medicare and Medicaid Services (CMS) and challenges with certification, DCF is no longer pursuing this option.
Salary Pressures:			12,335,610	
7	AHS	AHS Salary & Fringe Increases	3,859,675	Annualization of salary & fringe increases.
8	AHS	AHS Salary & Fringe - New Positions	177,972	VDH Positions at the Office of the Chief Medical Examiner & Vital Records.
9	AHS	AHS Salary & Fringe Capped Federal Funds	1,232,306	General fund need created by capped federal funding sources at VDH, DCF and DAIL.
10	AHS	AHS Retirement Rate & Other Fringe Adjustments	2,620,249	Retirement rate increase and other fringe adjustments.
11	DCF	Class Reclassifications	1,402,687	DCF Class RFRs from 2016 and 2017 including social workers.
12	DMH	Physician Contract with UVMMC	98,976	Negotiated increase to contract with UVMMC.
13	DCF	FSD - Caseload drive OT/call-in/standby, temps	664,314	FSD overall caseload continues to trend upward. Overtime and temp positions are used to manage caseload pressures.
14	DOC	Class Reclassification - COI & CQI	2,279,431	Upgrades for approximately 500 DOC employees.
Forecasted Pressures (Caseload):			14,853,504	
15	DVHA	Medicaid Caseload & Utilization	4,024,047	Updated per the Consensus Forecast process. Adopted by the January 2019 E-Board.
16	DVHA	Buy-in	1,258,233	This change incorporates a rate increase and trend in member months.
17	DMH	Kids Residential Cost & Caseload increase	822,617	DMH is experiencing pressure in PNMI (private non-medical institutions – residential treatment for children).
18	DMH	Adult CRT Enhanced Plans	246,708	Increased demand for the CRT difficulty of care program. This program intends to keep individuals out of hospital when possible.
19	DCF	FSD - Adoption Caseload	757,227	The annual caseload for adoption subsidies has increased from 2,230 to 2,424 cases and the cost per case decreased from \$8,729 to \$8,596.96 resulting in a net increase of \$1,373,361, of which \$757,227 is allocated to GF.
20	DCF	Reach Up - Revenue Loss due to Caseload decrease	98,000	Child support collections revenue loss due to caseload decrease.
21	DAIL	DS Caseload	4,131,228	Caseload increases as calculated per the DS System of Care plan.
22	DAIL	Statutory Nursing home Inflation & Rebase	2,689,880	Increase calculated per statutory requirements.
23	DAIL	Home & Community Based Caseload pressure	825,565	Based on projected caseload increase of 56 X \$31,958.
Other Operating Pressures:			8,600,964	
24	AHS -wide	Internal Service Funds	571,413	Adjustments related to FFS, ADS, DHR, VISION, etc.
25	DMH	Room & Board Investment Phasedown	594,892	Continuation of CMS required investment phasedown.
26	DCF	FSD - Room & Board Investment Phasedown	1,702,893	Continuation of CMS required investment phasedown.
27	DCF	CDD - Childcare transportation	128,221	Expand contract with Good News Garage to provide specialized childcare transportation in Newport and St. Albans.
28	DAIL	AFSCME CBA - Year 2 and Year 1 Annualized	1,312,925	Increases for Year 1 and Year 2 for the CBA with the American Federation of State, County and Municipal Employees.
29	DVHA	AFSCME CBA - Year 2 Year 1 Annualized	216,750	Increases for Year 1 and Year 2 for the CBA with the American Federation of State, County and Municipal Employees.
30	DAIL	VVH Settlement	1,743,435	Rate increase and cost settlement for SFY18.
31	DOC	Operating Increases	32,862	Operating increases for the Offender Mgmt System, energy, food, water.
32	DVHA	Contract Increases - MMIS & E&E	2,297,574	M&O contract Increases (Wex, Optum, MMIS)
INITIATIVES:			2,000,000	
33	DCF	FSD Staffing Initiative	2,000,000	Initiative to provide staffing and other resources to meet demands of rising caseloads.
		TOTAL UPWARD PRESSURES	44,498,383	
Reduction Proposals:				
Reduction #	Department	Reduction	Total GF	Description
Revenue Savings:			(10,947,331)	
1	Secretary's Office - GC	SHCRF Eboard Adopted Forecast - July	(5,765,478)	SHCRF revenue available from July Eboard Adopted Forecast.
2	Secretary's Office - GC	Base FMAP Change (including childless new adults)	(1,145,469)	Base FMAP change from 53.79% to 53.87%.
3	Secretary's Office - GC	New Adult Caseload & Utilization	(2,983,384)	Increases Federal Medicaid matching funds due to revised estimates for 'Childless New Adults' which, decreases the General fund need.
4	DCF	Leverage Home Weatherizaton Assistance Fund	(600,000)	Revenue from the Fuel Tax (Home Weatherization Assistance Fund) is anticipated to be higher than the base budgeted amount. DCF proposes to use this additional revenue in the administrative deptid to cover costs related to the administration of the LIHEAP program.
5	DCF	Reach Up - Revenue Increase PA & FS Recoveries	(153,000)	Receipts from individuals who received an overpayment of benefits.
6	DOC	Raise Supervision Fees from \$15 to \$30	(300,000)	Supervision fees have not been raised in 20 years. DOC has the authority to raise up to \$30 per 28 V.S.A. § 102 (c)(14).
Expense Reductions - Caseload Savings:			(10,258,359)	
7	Secretary's Office - GC	UVM Investment Phasedown	(625,284)	Continuation of CMS required MCO investment phasedown.
8	DVHA & DAIL	Other Insurance - Commercial Policy WC reduction	(211,938)	Workers' Comp Insurance premium reduction for direct care workers per Risk Management.
9	DCF	CDD - Subsidy caseload decrease	(1,250,000)	Continued trend of declining enrollment of children in the CCFAP program based on SFY 19.
10	DCF	CDD - CIS Underutilization	(309,714)	Underutilization in Children's Integrated Services.
11	DCF	AABD - Caseload Savings	(1,000,000)	The number of AABD cases is declining.
12	DVHA	Clawback	(1,747,959)	Lowers amount clawed back by Medicare for prescriptions for dually eligible individuals. Enrollment has dropped 7% from a high of 21,347 (Oct 2015) to a current (June 2018) 19,825. FY20 cost of \$34.9M.
13	DCF	Reach Up Caseload Savings	(1,218,142)	Reduction in RU caseload based on projections from the Leslie Black Plumeau report. Reach Up - Caseload 3684 to 3425; CPC 465.43 to 472.43, Reach Ahead -Caseload 417 to 314; CPC 40.74 to 38.40)
14	DAIL	Attendant Services Medicaid - Utilization	(69,195)	Underutilization.
15	DAIL	Nursing Home Medicaid Bed Utilization	(2,301,562)	Underutilization - 23,759 days @ \$210 per day.
16	DAIL	TBI Underutilization	(150,000)	Underutilization.
17	DAIL	DS Caseload utilization trend adjustment	(250,000)	Underutilization based on current trend and previous years.
18	DOC	OOS reduction from 268 to 225 beds	(1,124,565)	DOC estimates OOS caseload at 225 beds.
Expense Reductions - Proposals:			(7,480,656)	
19	Secretary's Office - GC	Eliminate Medicaid funding for GMCB	(1,247,759)	Transition GMCB from Medicaid investment to Billback funding.
20	AHS - Secretary's Office	Increased vacancy savings, vacant position reduction	(91,474)	Savings achieved thru attrition/vacant positions.
21	DVHA	Eliminate 6 vacant positions thru attrition	(500,000)	Savings achieved thru attrition.
22	DVH	Eliminate 9 vacant positions thru attrition	(250,000)	Savings achieved thru attrition.
23	DMH	Operating, Contract and Grant Reductions	(189,656)	Operating expense efficiencies.
24	DMH	Eliminate Sheriff Supervision in ED	(268,490)	Elimination of sheriff supervision in hospital Emergency Departments in accordance with CMS guidelines.
25	DCF	Eliminate VT Child & Family Community Response Pilot	(350,000)	Eliminates pilot that was in Washington, Franklin & Rutland counties.
26	DCF	Reach Up Grant Savings	(340,087)	Reduce grants and contracts in the Reach Up program in line with the continuing caseload decline.
27	DCF	Reach Up Staff SNAP E&E Training Funding Shift	(1,484,913)	Utilizing SNAP E&E funding in the Reach Up program for households up to the dual eligible cap.
28	DCF	Eliminate contracts for Reach Up Case Management but invest in PCC infrastructure	(800,000)	PCCs will no longer perform case management for Reach Up. Eliminate contracts of \$1.6M. \$800K will be invested in PCC infrastructure thru master grants. Net savings of \$800K.
29	DCF	Change Crisis Fuel Benefit to State Median Income	(175,000)	Use State Medium Income (SMI) to calculate crisis fuel benefits which will allow Vermont to use federal LIHEAP funds to serve households between 150-185% of the FPL.
30	DAIL	Reduce SASH Grant	(250,000)	Leaves SASH funding at \$400K. Reduces Investments.
31	DOC	Eliminate 5 vacant positions	(516,000)	Savings achieved thru attrition/vacant positions.
32	DOC	Contract elimination	(800,000)	Savings from the elimination of the Phoenix Tapestry program. Program has transitioned to different model.
33	DOC	GC Grant Reductions	(217,277)	Misc grant reductions.
		TOTAL REDUCTIONS	(28,686,346)	
		AHS POSITION	15,812,037	
		SHCRF Transfer	273,330,702	
		FINAL AHS POSITION GOVERNOR RECOMMEND	289,142,739	
		Per Finance & Management Policy Reductions	(8,380,656)	